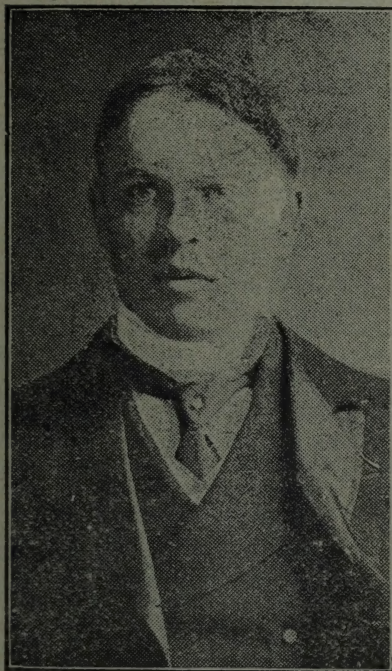


# The Grand Trunk Strike

The Position of the Government With Reference to  
the Big Industrial Dispute.

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HON. W. L. MACKENZIE KING  
Minister of Labor.

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Speech Delivered in the House of Commons by

**Hon. W. L. Mackenzie King**

March 21st, 1911.

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MINISTER OF LABOR

In the House of Commons, March 21, 1911

When the House rose at six o'clock, the hon. member for Hastings (Mr. N. Curran) had moved an amendment to the motion to go into supply to the effect that the House expresses its regret in three particulars, first, that the government through the Department of Labor or in any other way, had wholly failed to make any intelligent effort to avert the late strike; second, that the Government had failed to put an end to this strike during its continuance; and third, that it had failed to compel Mr. Hays, the president of the Grand Trunk Railway, to effectively carry out the agreement made with the government. There are therefore in that amendment three distinct charges. First, that the government was responsible for not having effectively prevented the strike which took place on the Grand Trunk Railway; second, that the government is responsible for its continuance or failure to terminate it; and third, that the Government is responsible for the alleged failure on the part of Mr. Hays to carry out the terms of the agreement.

I shall endeavor to deal with these charges in their order, but before doing so it may enable the house better to understand and appreciate the significance of the strike and the difficulty of dealing with it if I briefly outline its nature and true proportions. Let me point out first of all that this strike was but the culmination of a movement which started on this continent nearly two or three years ago, on the part of the organizations connected with the railways of the continent to bring about a standardization in the rates

of pay and the conditions under which the men are obliged to labor. I say on the continent, because these brotherhoods have organizations not only in Canada and the United States, but also in Mexico. They extend throughout the whole of North America. About three years ago they endeavored to bring all the railways on the continent on to one plane as respects the conditions under which the workmen are obliged to labor. That movement, which started in the Western States, took up the greater part of the year 1909 in that section of the country. Then having succeeded in bringing about an equalization of conditions on the American roads, they endeavored to bring a similar condition in western Canada, and succeeded so far as the Canadian Pacific Railway was concerned. In 1910, these organizations endeavored to bring into line the railways in the Eastern States. Some 40 or 50, or perhaps 60 different railways were affected, and when the brotherhoods were able to bring about an equalization, making allowance to a certain extent for the different conditions under which men were obliged to work—when they succeeded in bringing into line the whole of the United States and Western Canada, they next turned their attention to Eastern Canada. In that connection there were two different railways to be considered—the Grand Trunk Railway and the Canadian Pacific Railway.

If hon. members have grasped the significance of what I have said they will see that the dispute, which finally took the shape of a strike on the Grand Trunk Railway, was but

the culminating point of that movement which had been successful in every part of North America except in the Dominion as respects the Canadian Pacific Railway and the Grand Trunk Railway. When that point is grasped, hon. gentlemen will perhaps hesitate before endeavoring to hold the government or anyone responsible for the fact that that strike came on as it did with the force and effectiveness that characterized it. As I have said, there were only two railways left after the railways in the Eastern States had been brought into line. These were the Canadian Pacific Railway and the Grand Trunk Railway. Under our law before any action can be taken in the nature of a strike, the parties are bound to submit their differences to a board. They applied for boards in the case of the Canadian Pacific Railway and the Grand Trunk Railway, and these were granted in each case. The boards met simultaneously and reported in the case of each company. In neither case was the report wholly acceptable to the men, but I believe in the case of the Canadian Pacific Railway, that company was prepared to accept the award of the board of conciliation, though the men were not. What followed? After the board had given its award in the case of the Canadian Pacific Railway the men in the employ of that company expressed dissatisfaction at certain things, and then the Canadian Pacific Railway Company and the men came together and negotiated further and arrived at a settlement satisfactory to each. That left the movement then confined entirely to the Grand Trunk Railway. The men had been successful on all the railways in the United States and western Canada and in Eastern Canada, with the exception of the Grand Trunk Railway, with which they had been unable to bring about a satisfactory settlement. One reason alone is sufficient to account for that fact, and that is the different methods of payment in connection with the two roads, the Canadian Pacific Railway and the Grand Trunk Railway, had been in existence. In the case of the Canadian Pacific Railway the men were paid by the mile, and in the case of the Grand Trunk Railway by

the day. On practically all the railways in the United States, these organizations had been able to bring about a system of payment by the mile, and the object of the struggle in connection with the recent strike was to compel the Grand Trunk Railway to change its system from a day to a mileage basis. The importance of that difference will be apparent when one considers what takes place as the roadbed and the rolling stock are improved. Where the payment is on the mileage basis, the better the condition of the roadbed and the rolling stock, the greater the run which can be made, and the longer the run, the more the amount of wages. On the other hand, when payment is by the day, every improvement to the roadbed and the rolling stock calls from the men the expenditure of a greater amount of energy; they have to travel over a greater distance for the same pay. And as the Canadian Pacific Railway and the Grand Trunk Railway have been improving their roadbeds and rolling stock, the result is that the men on the Canadian Pacific Railway were getting a higher rate of wage relatively than those on the Grand Trunk Railway. In some cases the difference was as high as 38 or 40 per cent. in favor of the men on the Canadian Pacific Railway as compared with men doing the same work on the Grand Trunk Railway. It was this large difference in the rate of wages and this difference in the method of payment that caused dissatisfaction among the men on the Grand Trunk Railway, and it was because this difference was so great that the Grand Trunk Railway was not prepared to accede to the demand made on them at the outset nor to the terms proposed later on.

My hon. friend in his motion charges the Government with not having made any intelligent effort to avert the strike on the Grand Trunk Railway, and in endeavoring to impress this on the House, he said there were two ways open to the Government by which they could have averted that strike. One was to appoint a board under the Industrial Disputes Investigation Act, and the other was to appoint a board of

arbitration under the provisions of the Conciliation and Labor Act and compel the two parties to execute the award of that board and thus prevent the possibilities of a strike.

My hon. friend is a lawyer, and I am somewhat surprised that he should have made that criticism because he must be familiar with the laws which this House has enacted; and if he reads through the statutes he will be unable to find any law which gives the Minister of Labor power to compel an arbitration. This Parliament has never seen its way to concede compulsory arbitration. And, in the absence of a statute of that kind, I am unable to see how the hon. gentleman could draw the inference he has attempted to draw that the Minister had power to compel arbitration.

Mr. Rhodes.—With the permission of the Minister, I desire to ask a question. Is there any question about the jurisdiction of this Parliament to pass a compulsory Act? I ask purely for information.

Mr. King.—I do not myself think there is any question about it. I think that if this Parliament decided that it was a wise thing to enact such a law, it would have full power to do so. When the matter was considered some years ago, a compulsory arbitration bill was introduced by Sir Wm. Mulock, then Minister of Labor. That bill was read twice, I think, in this House, and then copies of it were distributed throughout the country to labor unions and important companies with a request for their opinions as to a law of that kind; and they were pretty nearly unanimous in stating that they did not wish compulsory arbitration, but what they wished was compulsory investigation.

Mr. Rhodes.—Would there not be an interference with the right of contract if such a law were passed?

Mr. King.—So far as railways chartered by this Parliament are concerned, I think certainly this Parliament would have authority to enact a compulsory arbitration law. However, that is aside from the question. The point I wish to make clear is that there was not the alternative which my hon. friend has suggested. He has referred to some

correspondence between Mr. Hays and the department as being rather extraordinary—he used that remark, I think, in reference to a letter written by Mr. Hays to myself. The line of argument he has taken is precisely that taken by Mr. Hays at the outset which, I must confess, I thought was somewhat extraordinary on Mr. Hays' part. For I felt that he could not but have the best legal advice, and I was unable to see how he could think that this Government had power to compel arbitration. As I have said, the dispute was referred, first of all, under the Industrial Disputes Investigation Act. It was in January, 1910, that the men first presented their demands to the company. These demands were considered and negotiations took place between the parties until March 17, by which time they had discovered that it was impossible to reach a settlement by mutual agreement. The men applied to the department for a conciliation board. This board met for the first time on May 25, and on June 22 the board presented a report to the Government. From June 22 until July 18, the parties continued their negotiations. The board's award was not taken as satisfactory to the men or by the company, but they used it as a basis in the effort to bring about a satisfactory settlement. So, from June 22 until July 18, the date when the strike was declared, the parties did their best to reach an agreement. My hon. friend says that during that interval the Government should have stepped in and compelled arbitration; and he says we should have done so as a consequence of a request which came to the Government from Mr. Hays, pointing out that we had the power to compel arbitration, and that it was the duty of the Minister to compel it under the circumstances. I will not weary the House by reading correspondence, but will refer hon. members to a letter which is on file, and which has been brought down, of July 13, in which Mr. Hays suggested that the department should take action under the Conciliation and Labor Act to compel arbitration. And I would refer hon. members also to my reply to Mr. Hays and my

communication to each of the parties involved on behalf of the railway organizations. I took this position—and I think it is the only one that could be taken: The dispute had been referred under the Industrial Disputes Investigation Act. So, any reference under the Conciliation and Labor Act could only be in the nature of a second investigation. I held that it was never the intention of this Parliament, when it enacted the Industrial Disputes Investigation Act, and made provision that railway disputes might come under that Act, or under the Conciliation and Labor Act, that such a dispute should be taken first under one Act and then under the other. That is, Parliament intended to give the railway men an alternative to proceed under either of these statutes, and, the men having proceeded under the Industrial Disputes Investigation Act, they were not by law obliged to submit to a second investigation under the Conciliation and Labor Act. However, I pointed out to Mr. Hays that if it was an arbitration as commonly understood—that is, each of the parties agreeing to be bound by the award of some third person who might be called in—I would do my part to see if the men were willing to accept arbitration of that kind. I communicated with both Mr. Murdock and Mr. Berry, who were representing the men, and drew their attention to Mr. Hays' letter. What was the reply? In one letter which I received, which was signed by Mr. Hays himself, he inclosed a communication from the men, and this had the following significant statement:

"The committee have also carefully considered the suggestion contained in your letter in reference to arbitration, and they desire us to advise you that in their opinion the questions referred to (being the contentions of men employed in train and yard service in the eastern territory for standardization of wages and general conditions), have been very fully arbitrated already. First, for some eight days on the Baltimore & Ohio Railway under the provisions of the so-called Erdman Act; later in the case of some ten or more properties by a submission of the

entire question to two gentlemen experienced in these matters, to dispose of.

"The committee are not inclined to believe that further arbitration should be necessary or that arbitration would bring out anything in the way of contentions upon either side that has not already been fully considered and passed upon."

Similarly, the letter which I received from Mr. Berry and Mr. Murdock in answer to the communication which was sent them transmitting Mr. Hays' letter, contained the following:

"On behalf of the members of these organizations—

The Brotherhood of Trainmen and the Brotherhood of Railway Conductors—

—generally throughout Canada, and especially on behalf of the men employed in train and yard service on the Grand Trunk Railway, we trust that it may be decided by the Minister as unnecessary to apply the provisions of the Mulock bill for the purpose of investigating this situation. The men on the line, generally, cannot believe that such action would conserve their interests, or the interests of the public, but would rather feel that any further investigation of the nature referred to would only tend to prejudice the situation unfavorably against them by causing further delay."

That was the situation. Mr. Hays had asked the Government to try to bring about a second investigation under the Conciliation and Labor Act. I believed that an investigation of that kind could not serve any useful purpose, and, further, that it would be prejudicial; and I based that belief not only on my general knowledge of the situation at the time, but on the expressed opinion of the men themselves when Mr. Hays' communication was transmitted to them. I had no power to compel an arbitration. But had I tried to precipitate in any way this question of a further investigation into the difficulty as it was at that time, it would only have aggravated the situation and put the Government in a position where it might reasonably have been held responsible for some of the trouble which

might have ensued. All that it was possible to do after the board had presented its report was to offer the good offices of the Government to the parties and to agree to meet any of the expenses which might be necessarily incurred in carrying out any proposal which either side might make and which would be agreeable to both. That I did in communications sent both to the company and to the men on every occasion; for example, in my letter to Mrs. Hays I said :

"I regret that it does not seem to me I have the requisite authority to take either course suggested by you, nor under the circumstances do I believe it would be in the public interest to do so. If, however, the company or its employees can suggest any way in which the good offices of the Government can be further exercised towards ameliorating the present difficulties I should be pleased to do my utmost to see that they are immediately placed at the service of the parties."

That was the standing offer which was kept before the parties at every stage of this dispute, that if either of them could suggest any way in which the Government could lend its good offices to prevent the situation becoming more critical, the good offices of the Government would be placed immediately at their service.

Take the parallel case of the dispute on the Canadian Pacific Railway. There the board had given its award, which was not accepted by the men; the company and the men continued negotiating. Had I done what the member for Hastings (Mr. Northrup) suggested I should have done in this case and said to the parties: You have been unable to get a settlement as a result of the investigation by the board, now the Government wants you to arbitrate this matter, I would have been in a nice position, and the Government would have been in a nice position if they had turned round and said: Thank you, we do not want any of your arbitration, we do not need it, and if they had subsequently shown that they did not need it by coming to an agreement, as they did, which is binding to-day. The Grand Trunk situation was precisely the same as that of the Canadian Pacific Rail-

way. There, too, the board's award was not accepted, they were still negotiating, and for any third party to have gone in at that particular stage would only have been to make the situation worse than it was at that time.

I would point out in that connection that the Government on any occasion of this kind has to consider more than the immediate case. There is such a thing as precedent and particularly in dealing with these industrial disputes it is easy to establish a precedent which may lead to a great deal of trouble later on. My belief is that after a board has been appointed and has made an investigation the Government should not interfere further between the parties unless there is something very exceptional to compel them to do so, because once the parties get the idea that Government can be called upon indefinitely to lend its good offices they are not going to end their dispute or the negotiations at the first stage, they are always going to continue them until they have exhausted every possible means of gaining their end. So I feel in administering the Industrial Disputes Investigation Act that the Government is on the right side where it refuses, unless the cases are most exceptional, to take any step as between the parties, after a dispute has been referred to a board, and the board has given its award on which they are to base their judgment.

I have in my hand a pamphlet signed by Mr. Lee, president of the Brotherhood of Railroad Trainmen. This pamphlet is an account of the Grand Trunk and Central Vermont Railway strike as given by the president of this organization to the men who were concerned in the dispute. At page 5 of this pamphlet Mr. Lee sets forth the negotiations which took place between the company and the representatives of the men, after the award of the board of conciliation had been given. He points out that on July 16 there was a lengthy conference in the office of the president, and again on July 18 another conference. He says :

"Mr. Hays replied shortly that he would meet the committee and officers at 11.30 a.m., the 18th, which was done, other officers of the com-

pany also being present. Mr. Hays at this conference stated that the company would definitely promise to put the eastern standard rates into effect January 1, 1913. This was not accepted and the conference was adjourned and resumed again at 3 p. m."

That was on July 18, the very day on which the strike was declared. The parties up to 3 o'clock that afternoon were negotiating together to see if it were possible to come to a settlement themselves. Mr. Lee goes on:

"Prior to the departure of the general committeemen a draft of a proposal of last resort was prepared and ratified which it was agreed should be submitted to Mr. Hays if it was finally concluded that a peaceable settlement could not otherwise be effected. After it appeared that Mr. Hays was indisposed to make any appreciable concessions, the proposition mentioned was presented to him, on which he expressed himself quite favorably and asked the opinion of other officers present as to the time it would take them to analyse it. They answered that it would take two or three days, but the attention of the officials was called to the fact that they had had several months to consider the men's demands, and that the committeemen were now out on the line getting ready to put a strike order into effect that evening and that the men were opposed to any further delay at that time. The president then stated that they would take until five o'clock to consider the matter and the officers and sub-committee were told to return at that time. Upon return the president handed Brothers Berry and Murdock copies of proposed terms of settlement as the company's ultimatum. The officials were informed that the terms offered were entirely unacceptable, and, even if the officers and sub-committee were so disposed, they could not accept the offer as it was not up to the lowest basis, above referred to, fixed previously by the joint committee. Mr. Hays stated that the company would go no further and the meeting closed.

"It was now definitely realized that a strike was inevitable. Up to

this time the sentiment in all parts of the Dominion was that the Grand Trunk Company could not consistently refuse to give the men the same rates and conditions as granted by practically all eastern railways. It was not believed that the company would engage in a strike."

That was the position the men themselves took in reference to this dispute. If, up to 5 o'clock on the afternoon on which the strike was declared, the leaders of that strike did not believe a strike would take place, wherein would the Government have been justified, in the midst of these critical negotiations, with the example before them of the case of another railway company having negotiated with the same body in which a successful settlement had been reached, it had rushed in and tried to compel an arbitration which the men themselves had indicated would only help to precipitate an element of danger into the whole situation? I say if the Government had taken the course which the hon. member in moving this resolution has suggested they should have taken, I think the hon. member might have brought in the resolution which he has here, and have very properly condemned the Government for being too precipitous, too officious, and for preventing the parties themselves from coming together and effecting a settlement which might have averted the strike. So I say as to the first part of the resolution which my hon. friend has moved and which expresses regret that the Government had not endeavored in any intelligent way to avert a strike on the Grand Trunk Railway, he is wrong in two particulars, he is wrong first of all in the method he suggests should have been taken by the Government, for I claim that is a wrong method, and he is also wrong in stating that no effort whatever was made, inasmuch as when the demands of the men were presented these demands were made a subject of investigation by a board which was appointed by the Government and then the Government from the time the board's award was given up to the time the strike took place, held out an offer continuously to each side in the dispute to lend its good offices in any way that

would be acceptable to the two parties.

There seems to be just as little ground for criticism of the Government's action as respects the second charge contained in this amendment, namely, that the Government had wholly failed to put an end to the strike during its continuance. Just here I would call the attention of the House to a curious contradiction in the motion of my hon. friend. He wishes to condemn the Government on every possible side, first of all for the strike, secondly for not ending the strike, and thirdly for not having had the agreement carried out. But he finds himself in this dilemma that to hold the Government responsible for the agreement being carried out, he has in some way to make the Government responsible for the agreement itself. So he is put in the curious position of being obliged to admit that the Government did bring about a settlement of the strike when he tries to hold it responsible for not having the terms of the settlement fully carried out. On the other hand, when he wishes to make his denunciation wholesale, he says the Government are to blame for not putting an end to the strike during its continuance. Follow the two clauses of my hon. friend's motion. He says that the Government have "wholly failed . . . to put an end to it during its continuance," and he goes on to say, "or to compel Mr. C. M. Hays, the president of that railway, to effectively carry out the agreement made with the Government, on the faith of which . . . the men at once offered to resume their service with the company." Either one of these two clauses must be wrong; both to my mind are wrong, but either of them is certainly wrong and it must appear so to every one who reads them. If the Government did not put an end to the strike then the Government cannot be held responsible for the terms of an agreement that, according to the third paragraph of the amendment, it is supposed to have drawn up, and as a result of which the men returned to work. On the other hand, if the Government did draw up an agreement as a result of which the men returned to work, then the second clause of my hon. friend's

amendment, namely, that the Government did not put an end to the strike, falls absolutely to the ground.

Just a word as to what the Government did do when the strike took place. It was the 18th of July when the men decided to go out. On the night of the 18th of July an order was issued from Montreal to all the railway trainmen and conductors from Portland on the Atlantic to Chicago, half way across the continent, and the whole Grand Trunk Railway system throughout the entire distance, including something like 4,000 miles of railway, was completely tied up. The number of men who went out at that time totalled 3,450, and then, a day or two following, after the company had closed its shops at Quebec and other points, the total number who were out in consequence of the strike was 8,500. What was the situation on the morning of the 19th of July? Between 8,000 and 9,000 men were locked out, an entire railway system was completely tied up, not a passenger or freight train moving from one end of it to the other, and this over something like 4,000 miles of railway system. That was a position to which the Government could not be indifferent. I have already said that I do not think it was the business of the Government to interfere once a board has issued its award, unless the case is exceptional, but I contend that in this particular case the situation was exceptional. This was one of the first strikes of any magnitude that had taken place since this legislation was passed, and when it became apparent that the whole railway system of the Grand Trunk was going to be effectively tied up it became the duty of the Government to do what it could to relieve the situation. My hon. friend, in suggesting what might have been done, said that he did not see why the Government did not appoint a board of arbitration and place on that board merchants, manufacturers, workingmen and capitalists, so that all interests in the country would be represented. Now, the hon. gentleman knows just as well as I do that the Government could have appointed a thousand boards and not one of these boards

could have affected the situation one way or the other. The dispute had already been investigated. It could not have been referred to a board of arbitration without each party being willing to abide by the award. The parties were not willing. The only step that was possible, in so far as I could see in the premises, was for the Government to endeavor in some way to affect public opinion on the question so as to compel each of the parties to realize that theirs was not the only interest that had to be taken account of, that while they, as working men, or a railway company, might believe they could afford to fight over their own differences, the public also had an interest in the situation and the public was entitled to have its voice heard. So, on the day following the strike, I addressed a communication to each of the parties asking them if they could not see their way to refer this difference to arbitration. I pointed out that they had professed to be willing to arbitrate before the strike had taken place. I had my doubts as to the genuineness of their professions and my doubts increased when I gave them an opportunity to refer the matter to arbitration and they did not take advantage of it. That was the first step necessary to be taken and it was taken promptly. Each of the parties had asked if they would not agree to refer the dispute to arbitration, and I told them that in the event of their being willing to do so the Government would bear the expense of the arbitration and assist in every way to see that it was faithfully and properly carried out. What were the answers that were received? The answer that came from the men was largely an evasive answer. The answer that came from the company was no less evasive. Each of them was unwilling to appear to be the first to give in by consenting to arbitration. I shall not delay this discussion by reading the messages that were exchanged on the one hand and the other, but I would point out to the House that what the department sought to do on that occasion was to let the public know who was responsible as between the two parties for the situation which had been created. That could be made apparent if one or the

other was refusing what was obviously fair, and I felt that sooner or later the pressure of public opinion would make itself felt to such a degree that the parties could not longer stand out against it, and that very soon the strike would be terminated. That communication was sent to each of the parties, and as neither of them sent satisfactory replies, I addressed the following letter on July 2 to each of them—to Mr. Hays on the one side and to Messrs. Berry and Murdock on the other:

"Referring further to my letter of the 20th inst. and the replies received, I would respectfully point out that neither the reply from the president of the company nor the reply from the representatives of the general committee of the employees, answers the question it asks and which is, whether as representing one of the parties to the present dispute, you will now be willing to refer the existing differences to arbitration mutually acceptable can be secured, and the necessary expenses incidental to such board met by the Government. This is a question to which the people of Canada who, at the present are being more largely affected by the existing dispute than either of the parties, have a right to expect a definite reply, and which, as a Minister responsible to them, I feel it my duty to ask on their behalf. Will you kindly give a direct answer to this question at your earliest convenience, that the public may be able to judge for itself of the present positions and attitude of the parties on a matter which so vitally affects its interests?

That letter, or telegram, for as a matter of fact it was wired, gives the keynote to the attitude of the Government at that time. The Government had made up his mind that it would find out for the people of the country who was responsible for keeping up this dispute, it was determined to give each of the parties an opportunity of entering into an arrangement which would afford a satisfactory way out of the dispute, and if either failed to take advantage of the opportunity its action could speak for itself. The answers to that communication will be found in the papers which have been

brought hown to the House. In brief, the replies that we received were also evasive. The committee that were dealing with the case of the men replied that they did not have authority to refer the matter to a board other than one of the nature which they had agreed previously to refer to it. Mr. Hays replied that he had nothing to add to his previous letter. I continued to press for a definite reply, urging the obvious public grounds and in the course of another day or two one of the parties did finally consent to refer the dispute to a board of arbitration; this was the men. In their letter sent from Montreal on July 23 they give reasons which are well deserving of consideration and they say:

"We recognize the special obligation to the public and regret exceedingly the inconvenience and loss to which public and private interests are being subjected, and with that recognition desire to advise you that we will be willing to refer the existing differences to arbitration provided a board of arbitrators mutually acceptable can be secured."

The strike took place on the 18th July, and by the 23rd July the Government had succeeded in getting one of the parties to consent to have the differences referred to a board of arbitration. Had Mr. Hays been ready to take the same step at the same time there is no reason why the strike should not have ended then. When I received this letter from Messrs. Murdock and Berry I at once communicated its contents to Mr. Hays, and I asked him pointedly whether, the other party having agreed to refer the matter to arbitration, he would not also agree to do so. In reply he said:

"Your telegram of the 23rd received, while as you know from many conferences urging your action before the strike took place and from our offer repeated and urged upon the committee, we were desirous of arbitration and so avoiding the existing trouble, the time for such action has now passed, and it is only necessary that we should have the protection to which we are entitled

to enable us to resume the full operation of the road.

"Chas. M. Hays."

Had the Government been indifferent, had the Government been prepared to take Mr. Hays' word, the matter might have ended with that letter, but the moment that reply was received from Mr. Hays the Government communicated with the customs officials throughout Ontario as to the movement of freight in their respective towns and from all of whom replies were received stating that the Grand Trunk Railway system was practically tied up, that trains were not moving, in some that factories had closed down, and in all that inconvenience, loss and distress were being experienced. The Government then took action as a Government, and a meeting of the Cabinet was called and Sir Richard Cartwright, who was acting Prime Minister, in a communication pointed out to Mr. Hays that the reports of the Government officers demonstrated that Mr. Hays' telegram did not correctly describe the situation. Sir Richard Cartwright wrote:

"The Government has been carefully considering the whole strike situation, and whilst it is the wish of my colleagues and myself to cause you as little embarrassment as possible, we cannot but feel, in view of the situation as disclosed in these messages, all of which are from an official and strictly impartial source, as well as from many other urgent representations, that it is eminently desirable that some settlement of the present dispute should be immediately effected, and that if this cannot be brought about by a conference between the parties, the matter should be left to arbitration as already suggested by the Government."

Mr. Hays had refused the offer of arbitration, and the Government came back at him and pointed out that he should accept arbitration at that particular stage, and Sir Richard Cartwright concluded:

"I very much hope that you may find it possible to co-operate with the Government along the lines suggested in its endeavors to deal with

the critical situation which has arisen, through the interruption of operations over a large part of your company's system."

On that day the Minister of Militia was leaving for the Maritime provinces and he agreed to take this communication in person to Mr. Hays so as to impress upon him how determined the Government was that the strike should be ended and ended speedily. The Minister of Militia took that letter to Mr. Hays on July 27, and the same afternoon I received this telegram :

"Messrs. Garretson and Lee held conference to-day with Mr. Hays without result. May I be permitted on behalf of the men on strike to request that as a Minister of the Crown and representative of the people you come to Montreal and by further effort try and arrange an honorable settlement either by arbitration or negotiation.

"James Murdock."

As a result of that telegram I left on the following day for Montreal and the Minister of Militia and myself did our utmost to bring together the two parties with a view to a settlement. I point out to my hon. friend (Mr. Northrup) that instead of being indifferent and doing nothing to bring about a settlement the Government was as active as it could be from the moment the strike took place. The only step we could take at the outset was to bring all the pressure possible on each side to get them to agree to a joint conference or arbitration, and the communications which passed between the Government and the parties were the means of helping to focus public opinion on the situation, and enable the public to discover which side was right and which wrong in refusing to take advantage of the Government's offer. In this way public opinion combined with the active intervention of two of the Ministers, eventually succeeded in bringing about a settlement, and instead of the Government being criticised by my hon. friend (Mr. Northrup) he should have complimented it on its activity and success in ending the difficulty in so short a time. The hon. gentleman (Mr. Northrup) said that the Government should have

used the big stick, and although he did not define what he meant by that expression his meaning apparently was that the Government should have done all it could to compel the Grand Trunk Railway to agree to a settlement on reasonable terms. But, if we are to judge by results I think my hon. friend (Mr. Northrup) has plenty of evidence to show that the big stick was used, and used pretty effectively on that occasion. There is no doubt at all that Mr. Hays did not intend to settle that strike. I have no hesitation in saying that once the men went out on strike, it was the intention of Mr. Hays, no matter what the cost, to keep up that strike until he defeated the men. And that such was the opinion of the men themselves is evident from the statement in this same pamphlet sent out by Mr. Lee, the president of the organization, in describing the effort made to bring about a settlement. On page 6 he says :

"The entire service was demoralized in the beginning, but before a great many hours enough strike breakers had been bought and borrowed to man a number of passenger trains and as usual the passenger service did not suffer badly after a few days. The freight service, however, was crippled seriously. The loss to the companies in revenue was enormous. Valuable freight contracts were lost at least for the time. Mr. Hays, however, seemed to give little consideration to the immediate financial consequence of the strike, but appeared fixed in the determination that the men should be fought to the end."

Again he says :

"He seemed as ever intent upon prolonging the strike indefinitely, regardless of cost, apparently with the view of eventually having the public interest itself to the extent of forcing the Government to demand a resumption of the service."

He goes on to describe the efforts that were made by Messrs. Garretson and himself to bring about a conference with Mr. Hays with a view to settling the difficulty, pointing out that they were unsuccessful and that these efforts were finally broken off. The correspondence itself shows

that the men saw plainly that the attitude of the company was that they were going to fight to the bitter end, no matter at what cost to the company or to the country; but the Government made up its mind that the fight would not go on to the bitter end, but that a settlement of the strike would take place. So the efforts of the Minister of Militia and myself, during the two or three days that we were in Montreal, were devoted to bringing the parties together, and putting them in a position where each would be obliged to show exactly where they stood, so that the public might learn if necessary, from us as Ministers of the Crown, who were in the right and who were in the wrong. It was Thursday afternoon, I think, when we left for Montreal; by Saturday a joint conference had been arranged between the parties, and by Saturday night we had practically come to an agreement as to the terms of settlement except in one particular, and it took from Saturday night till Tuesday to get that one remaining question settled before the strike could be declared to be at an end. What I want to point out to my hon. friend is that by the action of the Government, first, in offering arbitration and in bringing public opinion to bear on the situation; secondly, by actively intervening when requested to do so by the employees, and, thirdly, by bringing all the pressure possible to bear on the parties when we got them together, the strike was terminated inside of 15 days instead of being continued over a long period of time.

Now, I think I am right when I say that the efforts of the Government to bring about a termination of the dispute were appreciated, not only by the public, but by the parties to the dispute themselves; and, seeing that my hon. friend thinks that no intelligent effort was made to avert the strike, or to end it after it began, it might be well for me to read some of the communications which were received immediately after the termination of the strike, to show that those who had to do with it and knew the situation took an entirely different view from what he does. For example, here is a communication from Mr. Garret-

son, president of the Order of Railroad Conductors. He was one of those who were present during the negotiations with Mr. Hays; in fact, he conducted the negotiations on behalf of the men. His letter is as follows:

Order of Railway Conductors.  
Cedar Rapids, Iowa,  
August 10, 1910.

Hon. William L. Mackenzie King,  
Minister of Labour,  
Ottawa, Ont.

Dear Sir,—I take this opportunity of expressing to you on behalf of not only myself and my associate officers, but of the organization at large, and more especially the Canadian membership thereof, the profound obligation under which we lie for the services of yourself and your associate Minister in connection with the settlement of the strike upon the Grand Trunk and the Central Vermont Railways. The ready recognition by you of the justification for the claims of the men on those properties and the exercise of personal and governmental influence toward securing a termination of the strike on those properties will not be forgotten by our membership, and I sincerely trust that those most directly affected, namely, our Canadian citizens, will in the future make that appreciation thoroughly apparent.

In conclusion, kindly accept my expressions of highest personal regard, and believe me, sincerely and gratefully yours,

A. B. Garretson,  
President.

I believe that a similar communication was sent by Mr. Garretson to my hon. friend the Minister of Militia and Defence. Then, Mr. Berry, who represented the organization in Canada, in a letter dated Toronto, December 31, 1910, wrote as follows:

"I inclose herewith a copy of minutes of eastern association general committee, Order Railway Conductors and Brotherhood Railway Trainmen, held at Buffalo, N.Y., October 18 to 20, inclusive, 1910. I would draw your attention to resolution on pages 9 and 10 expressing appreciation of action taken by the officials of the

Government, especially Sir Frederick Borden and yourself. This resolution had the unanimous endorsement of the meeting."

It will be observed that this letter is dated December 31, so that the feeling it expresses was not simply that which Mr. Berry entertained just at the moment after the strike was settled, but the opinion he continued to have up to the end of the year. The resolution referred to by Mr. Berry is as follows :

"Resolved, that we express our full appreciation of actions of officials of the Dominion Government in their untiring efforts to settle the strike, and we especially commend the efforts of the Minister of Militia, Sir Frederick Borden, and the Minister of Labor, the Hon. W. L. Mackenzie King, who did so much toward restoring peace and harmony."

This resolution was passed at a joint meeting of the Eastern Association of General Committees of Railroad Conductors and the Brotherhood of Railroad Trainmen, held at Buffalo from October 18 to October 20. Then, in a communication from Mr. Berry dated August 15, on behalf of the Canadian members, I find the following :

"In conclusion, I wish to take this opportunity of expressing to you on behalf of myself, other officers of the Order of Railway Conductors, and especially our members employed on the Grand Trunk and Central Vermont Railways from Portland to Chicago, and the Canadian membership in general, the profound obligation under which we lie for the services of yourself and your associate ministers of the Dominion Government in connection with the settlement of the strike upon the above named railways. I feel, and sincerely trust, that the ready recognition and untiring efforts of Sir Frederick Borden and yourself will not be forgotten by the Canadian citizens, especially our membership, and that they will in the future make that reciprocation thoroughly apparent."

"Again thanking yourself and associate Ministers on behalf of the membership of the Order of Railway Conductors, and with highest per-

sonal regard, believe me, sincerely and gratefully yours,  
(Sdg.), S. N. Berry,  
Vice-President O.R.C.

Those communications speak for themselves. I might also quote from the official journals of these organizations. Here is the Railroad Trainman, the official journal of the Brotherhood of the Railroad Trainmen, at page 797 of the September issue, I find the following with regard to the settlement :

"The settlement was effected principally through the efforts of the Minister of Labor, Mr. King, assisted by the Minister of Militia, Sir Frederick Borden, to whom full credit is given for their efforts in bringing about the settlement."

Also in the Railway Conductor, which is the official journal of the Railway Conductors Brotherhood, I find at page 718 the following passage :

Mr. Wilcox.—What date ?

\* Mr. King.—September, 1910. This is what that journal says :

"In connection with this settlement the thanks of the Canadian membership and of our entire organization as well, are due and tendered to the Hon. Mackenzie King, Minister of Labor, and Sir Frederick Borden, Minister of Militia, for their untiring efforts on behalf of the men, for the influence they brought to bear on the Grand Trunk Railway management contributed in no small degree in producing a satisfactory result and ending the controversy :

My purpose in reading these resolutions is not in any way to record on Hansard communications which one might be pleased to read concerning his own work, but I am forced to read them in view of the resolution moved. My hon. friend says that no effort was made by the Government to put an end to the strike during its continuance. That is the charge which he brings against the Government in general and the Department of Labor in particular. In order to reply, I feel it necessary to quote the words of the men themselves who, better than any one else and as well at any rate as the company itself, knew who had rendered them good service.

Not only did the parties themselves believe that the Government had rendered the men a service, but the people of the country also. I have a telegram from my hon. friend's own constituency, for I believe he is a resident of Belleville. I am not sure whether he is a member of the Board of Trade of Belleville, but on August 3 I received the following telegram from that body:

Hon. W. L. Mackenzie King, Ottawa:  
Executive Belleville Board of Trade  
thank you for effective work in settlement of strike.

W. B. Deacon,  
President.  
W. N. Ponton,  
Secretary.

Will my hon. friend say that the Board of Trade in his own town was mistaken when it sent a telegram congratulating the Government on its effective work?

Mr. Northrup.—They did not understand the facts then.

Mr. King.—I think my hon. friend does not understand them yet. Here is a telegram from the mayor of Hamilton dated August 3:  
Hon. Mackenzie King, Minister of Labor, Ottawa:

The city of Hamilton appreciates your earnest efforts to settle strike and congratulate you on your success.

John I. McLaren,  
Mayor.

Does my hon. friend from Hamilton (Mr. Barker) think that the citizens of his city were mistaken in their belief as to the nature of the services rendered?

Mr. Barker. — No doubt they congratulated the hon. gentleman on what they thought was a success. They do not think so now, perhaps.

Mr. King.—I am glad to have my hon. friend admit at any rate that they were sincere when they sent that telegram. I could quote very many others, but I mention only these two. Here is a communication from an important firm of wholesale grocers, representing the business interests of this country, and my hon. friend referred to the business interests. This communication also comes from the city of Hamilton:  
The Hon. W. L. Mackenzie King,  
Minister of Labor, Ottawa, Ont.:

We beg to offer you our congratulations upon the success of your efforts in adjusting the differences between the Grand Trunk Railway system and the trainmen. It is a great relief to the trade to have this matter settled because, instead of conditions improving, they were gradually getting worse, and had the strike continued for two or three weeks longer the loss to the trade would have been much greater. It may interest you to know that the extra volume of business that was thrown on to the Canadian Pacific Railway resulted in a congestion of freight over their system that will take them from one to two weeks to clean up. The Canadian Pacific Railway had practically arrived at the point where it was impossible for them to guarantee prompt delivery of goods; delays were becoming general and much longer in extent.

In view of the conditions that were becoming so bad the prompt settlement of this strike has been a great relief, and we thoroughly appreciate the prompt and aggressive way in which you kept at it. It is encouraging to the trade of this country to have a Minister to so grasp the situation that realizes the necessity of prompt action in matters that concern the trade and commerce of this country.

Again congratulating you on the successful termination of this unpleasant difference.

We are, yours truly,  
W. H. Gillard & Co.,  
per H. C. Beckett.

My hon. friend referred to Mr. Trowern, the secretary of the Retail Merchants Association, as a man of shrewd judgment. Well, here is a communication from Mr. Trowern dated August 9, in which he says:

"I wish to congratulate you on your success in bringing about a settlement of this unfortunate disagreement."

So I might go on, but I think these are sufficient to show the House that at the time the strike was settled, when the facts were fresh in the minds of the people, there was no doubt on the part of any one—either those concerned in the strike itself or the public most affected by it—as to the service the Government had

rendered in helping to bring it to a speedy termination.

Mr. Blain.—Did the Government not receive a good many communications complaining about its inactivity while the strike lasted?

Mr. King.—We had a sample of those this afternoon when my hon. friend was reading some communications which he said were sent in — telegrams from different Boards of Trade urging that something should be done; and when by chance I asked my honorable friend to read one, I found it began with these words: "While appreciating your indefatigable efforts." Most of the communications received were along those lines.

Mr. Blain.—I thought it would be only fair to place those on record alongside with the compliments to the Minister himself.

Mr. King.—I have no doubt about their going on record. If any can be found, I can trust hon. gentlemen opposite to see that they will all be given a place in the report. But if my hon. friend will look at the press he will find that in practically all the newspapers the Government was credited with making every effort possible to bring about a termination of the strike. It was not possible, however, to settle that strike in a day. In the case of a dispute of that magnitude, with the interests involved, with the feeling existing, there is no agency under heaven which could have brought about an immediate settlement of the difficulty. When one considers the nature of the dispute, its magnitude and the bitterness of the parties, the miracle is not that it lasted so long, but that it did not last several months longer. So much for the second part of my hon. friend's resolution.

In the third part he charges the Government with having failed to compel Mr. Hays, the president of the Grand Trunk Railway, to effectively carry out the agreement which he says was made with the Government and on the faith of which the men offered to return to service. Well, as already pointed out, this third part of the resolution contradicts the second. He says that an agreement was made on the faith of which the men returned to work; but in the second part he says that

the Government failed to do anything to terminate the dispute. While I think that in this third part the hon. member is also mistaken let me first draw his attention to its wording. He says:

"To effectively carry out the agreement made with the Government on the faith of which the men at once offered to return to service."

My hon. friend saw that it was necessary to make out a case in that connection, for he had spent some time in the endeavor to show that the agreement was with the Government and not between the parties. There I take issue with him. The agreement was not with the Government, but was between the parties to the dispute, the Grand Trunk Railway on one hand and the organizations involved in the dispute on the other. They were the parties to the dispute, and they were the parties to the settlement. The Government helped to bring about an agreement — brought the parties together and, through its representatives, assisted the parties in trying to reach satisfactory terms. But the agreement was an agreement between the parties to the dispute, and the best evidence of that is that one party is now saying that the other is not carrying out its agreement.

Mr. Blain. — Was not the understanding with the Minister of Militia and my hon. friend (Mr. King) a part of the agreement? That is the part that my hon. friend from East Hastings (Mr. Northrup) was complaining about?

Mr. King.—If my hon. friend (Mr. Blain) likes to regard it as part of the agreement—

Mr. Blain.—I am asking if it was not part of the agreement.

Mr. King. — The agreement would not have gone into effect if that understanding had not been given — I will say that. But the question of the understanding having been given is not the question in dispute.

Mr. Blain.—Did not the hon. Minister regard it as part of the agreement, though it was not written?

Mr. King.—I regard it as part of the settlement, certainly; but it is not that part that is in dispute at the present time. I will explain that situation a little more fully. I fortunately happen to have retained a

paper which was used during the course of the negotiations, and by a reference to it I think I can make perfectly plain to the House exactly what took place in regard to these words to which reference has been made. I have stated that, on Saturday afternoon—about three o'clock, I think it was—my hon. friend (Sir Frederick Borden) and myself had succeeded in getting the company and the men to meet. Mr. Hays and his officers sat on one side of the board, and Mr. Garretson and Mr. Lee, representatives of the men, on the other. The Minister of Militia and myself, with the solicitor of the company, and Mr. Wainwright, the vice-president, watched the proceedings. We took little or no part in negotiating the terms of the agreement. The award of the Board of Conciliation was made the basis of discussion and the two parties debated every clause in that proposed settlement. They would get to a certain length, and then break up. But we would get them together again, to see if we could not get a little further. By about nine or ten o'clock it was thought that settlement had been practically reached. There were only three main questions to decide—first, as to the reinstatement of the men; second, the rate of wages; and third, the rules of the company and the method of payment. As I remember it, Mr. Hays, as the representative of the company, had a draft made of what was the tentative agreement all were discussing, and typewritten copies were made in his office and brought up and made the basis of further discussion. Copies were handed to the men on one side; Mr. Hays and his officers had copies; and Sir Frederick Borden and myself were given copies. I have here the copy which I had at that time. I will read the settlement in full, because it will make plain the nature of the discussion:

"The company will put back as soon as possible the men, other than those who have been or may be found guilty of acts of violence or disorderly conduct, the understanding being that there is to be no coercion or intimidation used towards the new men.

"The company will put into effect on May 1, 1910, the rates named in

schedule of rates dated July 18, 1910, those rates to be embodied in the present schedules now in effect on this line, it being understood that those rates shall in no instance affect a reduction in any existing rate.

"The company will on January 1, 1912, make effective on the Grand Trunk Railway the rates of pay and the rules contained in the schedule of agreement on that date in effect on the lines of the Canadian Pacific Railway east of Fort William."

Now, I have written in one corner of this document the words used by Mr. Hays to the men when he presented this schedule, "If I take the last two, will you take the first one? In other words, 'If I give you rates of wages,' to go into effect May 1, 1910, in accordance with the schedule you want, and if I agree on January 1, 1912, to make the rules of my road similar to those of the Canadian Pacific Railway at that time, will you on your part accept this clause which says that the company will put back, as soon as possible, the men who are not found guilty of violence or disorderly conduct?" So, the question narrowed itself down to the acceptance by the men of the first clause on condition that Mr. Hays would accept the other two. The men asked Mr. Hays what he meant by "as soon as possible." They said: "Do you intend to take all the men back?" Mr. Hays said: "Yes, as soon as possible." "What do you mean by that? Do you mean next week, or two weeks?" They wanted to change these words or have them left out altogether. In fact, I think that was the first suggestion they made—to leave out the words, and said that if these were left out they would accept. But Mr. Hays would not agree. Well, to make a long story short, before we broke up we had got this far—that the men would be willing to let these words go into the agreement if Mr. Hays would give them a definite meaning. First they wanted the words left out; then they wanted a definite meaning given to them; in the third place, they said: If you give them a definite meaning, we don't care whether they are in or not. And their last offer was—and I have Mr. Garretson's words written in the other cover—"Satisfy Sir

Frederick and Mr. King as to the meaning of 'as soon as possible.' " They said: We will accept your first, provided you satisfy Sir Frederick and Mr. King what these words "as soon as possible" mean.

Sir Frederick Borden.—Hear, hear.

Mr. King.—The Minister of Militia (Sir Frederick Borden) is here and I think he will bear me out.

Sir Frederick Borden.—Quite.

Mr. King.—In other words, on that Saturday night an agreement had been reached between the two parties. The only question remaining was the meaning of the words "as soon as possible." And the men stated they did not care whether the words were put in or left out, so long as something definite in the way of an assurance was given them as to their exact meaning. They went so far as to say: You will only have to satisfy Sir Frederick and Mr. King, and we will accept that as an assurance. It was not the Government making an agreement for the men, or the Government making an agreement with the company, but the company and the men making an agreement together, and doing so under terms in black and white, but in regard to the meaning of one of which terms Sir Frederick Borden and I were to stand as witnesses. And we stand as witnesses at the present time. But Mr. Hays would not give a meaning to these words on Saturday night, and because he would not give a meaning to them the strike lasted through Sunday and Monday and Tuesday, for it was not until Tuesday that we could get Mr. Hays to give a definite answer. Hon. members opposite state that we ought to have used the big stick. Did we not use it? I will tell my hon. friends how it was used.

When I left on Tuesday Mr. Hays had not given that assurance. I gave Mr. Hays to understand that unless he gave some meaning to those words "as soon as possible" I would see that the people of Canada knew why the strike was not settled, and that it was because he had not defined the meaning of those words "as soon as possible," the whole Grand Trunk Railway system was being tied up, and I gave him virtually six hours in which to decide whether or not he would give a meaning to those

words. I left him on the understanding that I would come to Ottawa and would see that the whole transaction from beginning to end was made public in order that the men and the Government should not be put in a false light before the country and that the blame should fall where it was due; that there were these three words to which he would not give a definite meaning. If I would never have made this statement public if it had not been that so much difficulty has arisen over these words, and that the Government is being blamed in a way in which I do not think it should be. Had Mr. Hays followed out, as I think he should have followed out, the agreement at an earlier stage there would not be any occasion to mention this now. Mr. Wainwright came up to Ottawa on a train about the same time as the one on which I came and as vice-president of the Grand Trunk Railway he gave me an assurance in the presence of two of my colleagues here that the president of the Grand Trunk Railway would consent to giving to these three words "as soon as possible" the definite meaning of three months, which was the time Sir Frederick Borden and myself said we thought would be sufficient. That was exactly the position, and Mr. Hays yielded at this stage in view of a knowledge of the pressure that was being brought to bear on him by the Government, and for no other reason. That strike would have continued for weeks and months probably, no matter at what cost to the country or loss to the men, but for the pressure which was brought to bear in that way. Just here I would say a word in behalf of Mr. Wainwright. If any man in this whole transaction is entitled to credit it is Mr. Wainwright. He had a very difficult position to maintain, but I think it was his good counsels and good actions which more than anything else were responsible in the last analysis for the company seeing the wisdom of accepting the settlement.

Hon. gentlemen opposite have endeavored to place on the Government the responsibility for the manner in which one of the terms of the agreement has been carried out. As I have said, the terms of the settlement

stated that as soon as possible all those who had not been guilty of acts of violence or disorderly conduct should be restored to the company's service. The company does not deny having given that meaning to the expression "as soon as possible." What Mr. Hays says is that he has carried out that part of the agreement and that the men who are out at the present time, according to the statement of his officers, have been guilty of some acts of disorderly conduct.

It is one of the terms of the agreement entered into between the parties themselves that is causing the trouble to-day, not a part of the agreement to which Sir Frederick Borden and myself are witnesses, but another part, words that were perfectly agreeable to the men themselves, and which they were prepared to sign. The dispute that has arisen to-day is as to the "as soon as possible" or the three months whether the men who are still out have been actually guilty of acts of disorderly conduct. The Government, to my mind, were not obliged to do anything further; certainly the Government has never accepted in virtue of the agreement entered into between the parties, any obligation on its part to see that the terms of the agreement were carried out. Were that doctrine once admitted, this Government and Parliament would be opening the door to a wide obligation, that the Government would become responsible for all that grows out of the actions of every person who performs an act on behalf of the Government, that for examples in the case of the Boards of Conciliation appointed by the Government, the Government would become responsible for the way in which the terms of settlement offered by them were carried out, we would be assuming an obligation which I think would be going much further than this Parliament ever intended to go, and I do not think that the Government would be justified for one minute in admitting any obligation of that kind. However, the Government has stood and still stands to do its utmost to further industrial peace, and when after the settlement had been made and three months had gone by, and some of the men had not been

reinstated, with the information that this situation was likely to give rise to fresh trouble on the Grand Trunk Railway, the Government naturally, in the interests of industrial peace, offered to do and has been doing all in its power to awaken a consciousness on the part of one of the parties to the agreement to the necessity of discharging the obligations in the present dispute, and so the Government has in many ways pointed out to the Grand Trunk Railway Company that it expected, in virtue of its being one of the parties to the agreement in the interests of industrial peace, that that great corporation should deal with its men in a manner worthy of a corporation carrying on business to the extent that it does. When my hon. friend says that nothing has been done but to send a letter occasionally to Montreal, I think he can hardly have read over all the correspondence, because he would see in it references to many interviews which have taken place not only between myself and Mr. Hays and other officers of the Grand Trunk Railway in Montreal, but between Mr. Hays and the Prime Minister in Ottawa. I think that on two or three occasions the Prime Minister has himself spoken to Mr. Hays on this particular phase of the transaction. Mr. Hays is in a difficult position, I am prepared to admit that. His officers give him certain advice. He feels that, managing a great company, unless he pays attention to the advice of his officers he may not be able to carry on the organization as it should be carried on and so he has tried on the one hand, I think, to carry out the wishes of the Government in the matter, and on the other hand to stand back of the officials whom he holds responsible for carrying on the affairs of the road in a certain way. The Government gave him to understand clearly that if his officers were making misrepresentations to him, if the men were saying one thing and the officers another, the only fair way to do was to call in some third party and allow the third party to pronounce upon the cases. I made that suggestion first in a communication offering on behalf of the Government to pay the expense of an arbitrator. I think the Grand Trunk Railway

should have accepted that offer, I think it was a small thing to ask a big company to do especially as the men expressed their willingness to do the same. One of the doctrines to which the managers of great corporations seem to hold most strongly is that they are going to manage their own business, and after all what the Government was interested in doing was not to antagonize that corporation so that it would perhaps treat its men in a spiteful manner, but rather to facilitate the return of these men to the positions they formerly held. The Government intimated that it did not matter what the method was so long as these men were given a fair chance of having their cases investigated. Judge Barron's name had been mentioned because he had acted as chairman of one or two boards in industrial disputes with great satisfaction to both employers and employed, and my hon. friend has paid him the praise which he merits in saying that he feels that in every way Judge Barron will be upright, faithful and trustworthy in the discharge of his duty, and that it would make little difference by whom he is appointed. Judge Barron has been appointed to investigate the cases of all the men still out in the United States as well as Canada, and the fact that he has been appointed at all, no matter by whom, the Government or the Grand Trunk Railway, is a pretty good evidence of the pressure which has been brought to bear on that company by the Government. Judge Barron would never have been appointed, the cases of these men would never have been looked into, and instead of 200 men being out there would have been 500 or 600 if not more, were it not for the pressure that the Government have brought to bear on the situation.

Mr. Maddin.—Who is going to pay Judge Barron for determining who has been guilty of misconduct amongst the strikers?

Mr. King. — I presume the Grand Trunk will pay him for his services. I think my hon. friend will be the first to admit that any man of honor will discharge his duty in an honorable manner irrespective of who pays him. I think that certainly members of this House who have the

privilege of knowing Judge Barron will feel that no member of the judiciary is more likely to act in an honest and faithful way than he is and I believe the men have just as much confidence in him as we have. I think it would have been preferable had the company accepted the offer of the Government to appoint Judge Barron to make this investigation, but a large company like this prefers to manage its own affairs and the company is determined as far as possible that it is going to conduct its business along its own lines. In the absence of compulsory arbitration you cannot prevent a practice of that kind being followed by a company. I cannot say that I am in favor of compulsory arbitration nor can I say that I am altogether opposed to some measure of compulsory arbitration where the ends of justice and the public good can be ignored at the will of an individual. This dispute has made me feel that never again, if possible, should this country be brought face to face with a situation such as occurred here through the attitude of any individual or group, be they capitalists or workmen. I think the country as a whole is too important to allow its interests to be sacrificed. I would say to my friends amongst the workmen and capitalists that if any occurrence of this kind takes place again they can expect, and I think they very naturally would expect, that some action may be found necessary which will prevent the possibility of any further recurrence if a method can be found that will prevent it.

My hon. friend (Mr. Northrup) in the third clause of his amendment, says that the Government is responsible for not compelling Mr. Hays to carry out the agreement effectively. I shall answer him, not in my own words, but in the words of the men who are most affected, those who are still out and are members of the organizations that are affected by the agreement not having lived up to in the way that they think it should have been lived up to. What do they say? My hon. friend read part of one communication this afternoon. Here is a letter signed by Messrs. Berry and Murdock, representing the

railway conductors and the Brotherhood of Railway Trainmen :

Windsor Hotel, Ottawa,  
December 13, 1910.

Hon. W. L. Mackenzie King, Minister  
of Labor, Ottawa :

Dear Sir,—The committee desire to assure you and through you the Government that they deprecate the attitude taken by certain gentlemen, (presumably well intentioned) whereby an effort is being made to hold the Government responsible for the failure to apply the terms of settlement made.

We appreciate fully the assistance given both at the time of the strike, and since, by the Government in its efforts to bring about on behalf of the Canadian public and the citizens of Canada who are involved in the strike a settlement, and an equitable carrying out of the terms of that settlement. It is definitely understood by the men interested and the undersigned that it is not on account of any failure on the part of the Government that the present unfortunate situation obtains, but that the existing conditions are rather the result of the obstinate disregard for contract obligations on the part of the Grand Trunk officials.

Mr. Northrup.—What is the date of that letter ?

Mr. King.—December 13, 1910, at a period some six months after the strike had been settled. Here is a communication of a later date from Mr. Berry :

Toronto, December 31, 1910.

"I herewith acknowledge receipt of your favor under date of the 19th inst., which was delayed in Ottawa several days before being forwarded me. I wish to assure you that the untiring efforts of yourself, other members of the Cabinet and members of the Dominion Government are appreciated in full by me, and I trust, by the membership of our organization throughout the Dominion of Canada, as well as parts of the United States, where they have had an opportunity of becoming acquainted with the actions of our Government relative to the Grand Trunk and Central Vermont situation."

There is also a letter dated Janu-

ary 28, from Mr. S. N. Berry, vice-president of the Order of Railway Conductors. In this letter Mr. Berry says :

"I do not, of course, hold the Government responsible for the enforcement of the settlement—

An entirely different point of view from that which hon. gentleman opposite are taking.

"—but I incline to believe in view of the fact the men accepted the settlement as it was made, partly to relieve the public of suffering, we can consistently look forward to all assistance possible in having that settlement adhered to by all concerned. We recognize the great help you and other members of the Government rendered to the men in connection with the matter, and we appreciate your desire that the settlement should in honor be carried out."

Then, on February 10, hon. members of the House will remember that the hon. member for South Simcoe (Mr. Lennox) asked me some questions in regard to the settlement. It appears that on February 7 that hon. member wrote to both the representatives of the conductors and trainmen's organizations and sent them a communication somewhat as follows :

I enclose a copy of questions I intend to ask in the House and would be glad to have your view of the situation. I have for a good many years endeavored to advance the interests of railway employees where I could, and have been in close communication with the men at Allandale. The railway contention now is that although there was a settlement, the men who came back, came back as new men and were not restored to a claim on pension fund.

Yours sincerely,

(Sgd.), Houghton Lennox.

That is addressed to S. N. Berry, Esq., 53 Beatrice St., Toronto. These communications were forwarded to me by both the officers of these organizations, without any knowledge on my part of their having received them. They sent them to me, thinking it important that I should be informed of all that had taken place. I will not attempt to read what was said in reply in full, but I will read what Mr. Berry and Mr. Murdock have said in part in reply to the

communications of the hon. member for Simcoe. In a letter dated Toronto, February 27, 1911, Mr. Berry writes :

Hon. W. L. Mackenzie King, Minister of Labor, Ottawa :

Dear Sir,—I hand you therewith copy of letter to me from Mr. Lennox, M.P., under date of the 7th instant. I fully intended to enclose a copy of this letter when sending you a copy of my reply to same.

I have no objections to matters of this kind being made public, as I trust all concerned, having nothing but the interests of the unre-employed employees of the Grand Trunk Railway who participated in the strike, in view, when making enquiries of this kind.

I wish to assure you my desire is that politics be kept entirely out of this question, and I do hope that any gentleman interesting himself in this matter, does so from the view point that it is justice what we want and hope to get for those men.

I am, yours very truly,  
(Sgd.), S. N. Berry,  
Vice-President O. R. C.

Mr. Murdock, vice-president of the Brotherhood of Railway Trainmen, sent me the following communication :

Grand Union Hotel, Montreal,  
February 20, 1911.

Hon. W. L. Mackenzie King, Minister of Labor, Ottawa :

Dear Sir,—I inclose herewith copy of letter this day written to Mr. Houghton Lennox, M.P., in answer to a letter that he sent me under date of February 7, requesting certain information, in the form of the following question :—

He gives these questions and then adds :

It occurs to me that you might be interested in reading these questions which, I presume, you having heard heretofore, and that you might also like to see the answer that I have made to the questions as asked.

Very truly yours,  
(Sgd.), James Murdock.

The letter to Mr. Lennox is rather long, but this is the way it concludes. It is a communication sent

in answer to the questions put by the hon. member from the other side of the House, and I think it correctly answers the third part of my hon. friend's amendment in which he expresses regret that the Government has not tried to compel Mr. Hays to effectively carry out the agreement. Mr. Murdock in his letter says :

"In conclusion, it might not be amiss—

Mr. Blain.—Why not read the whole letter ?

Mr. King.—Very well. I may say that the questions put to Mr. Murdock were in this form :

Was the settlement of July 31 last between the Grand Trunk Railway and its employees in train and yard service :

(a) Intended and understood to put an end to all then existing disputes and difficulties.

(b) Was it understood that the men would be put back in the positions they held previous to the strike.

(c) Was it understood that the men would be reinstated.

This is Mr. Murdock's reply :

Montreal, February 20, 1911.  
Mr. Houghton Lennox, M. P., Ottawa, Ont. :

Dear Sir,—Your letter of February 7, with which was inclosed three questions relative to the settlement of the Grand Trunk strike, has only just reached me, hence the delay in my replying.

I will answer your questions in order as given.

(a) Yes, most positively hoped for and understood.

(b) Yes, without reservation it was expected that the undertaking that Mr. Hays gave to Ministers of the Crown on August 2 as to his intended application of paragraph 1 of the agreement made on July 31, contemplated that all men who had gone on strike and who had not been guilty of the commission of overt acts would be returned to their former positions, runs, seniority, standing, etc.

(c) Is answered in the reply given to (b).

I am indeed glad to know that yourself and other eminent and representative members of the Dominion Parliament are taking such a commendable interest in the welfare of Grand Trunk employees who have

not yet been returned to service, or who, having been returned to service, have not been conceded their former positions or runs.

(I presume Mr. Murdock had read the debate which took place. I think my hon. friend asked me whether anything was said with regard to the pension, and in reply I said that pensions had not been mentioned, and Mr. Murdock says in this letter:

The question of pensions or of conserving the pension rights of the employees who had been on strike and who were by the settlement to be returned to service was not even considered as a factor in determining the basis of settlement. Representatives of labor and laboring men generally, recognize the fact that pension schemes, provident fund arrangements and relief associations, inaugurated, fostered and maintained by railroad companies or large employers of labor, without the employees co-operative sanction to the formation of such concerns are usually found to be nothing more or less than a pre-arranged and contemplated outlay or investment on the part of the employer to test the loyalty of the men to themselves, as individuals, and to each other, in the event of just such trying negotiations as preceded the strike of July 18 last.

Organizations of labor in train and yard service have not considered it as a part of their legitimate sphere of effort to make representation to railroad companies or railroad officials as to the basis upon which pension allowances should be inaugurated or maintained, and in the case of the Grand Trunk strike and settlement the question was not given serious consideration by the employees. Any action that the Grand Trunk Railway Company saw fit to take in reference to the pension rights of employees prior to the Grand Trunk strike, they had an absolute right to take and maintain, and they are apparently disposed to exercise the same rights and privileges which they formerly enjoyed in this respect.

From every consistent and logical standpoint upon which the question of pension might be considered, it should surely be recognized that the mere fact of an employee leaving the service for a period of two weeks and thereby breaking a continued

service of many years should not be sufficient to debar him from all rights to a pension fund, if that pension fund had been inaugurated and was maintained for the purpose of conserving in old age the rights of an employee who had given to the company many years of faithful service.

The Grand Trunk Railway Company's present attitude demonstrates conclusively that the estimate placed on the average railway company's pension fund has been well founded.

And now comes the conclusion and it is this in particular that I invite the attention of hon. gentlemen opposite :

In conclusion, I would suggest that the present attitude of Grand Trunk officials who have violated indiscriminately the first two articles of the terms of settlement is deplorable, but if I might be permitted to do so, I would suggest that some of the hon. gentlemen at Ottawa who are taking such an apparently deep interest in this situation, are, to use the expression attributed to you on page 3480 of Hansard, under date of February 10, "barking up the wrong tree."

The agreement made when the strike was called off was under the circumstances equitable, and amply sufficient to conserve the rights and interests of all concerned, public, employer and employee. The deplorable conditions that have existed and that exist at the present time are wholly and solely chargeable to Grand Trunk officials disregard for contract obligations except as expediency suggests.

I trust that the information given above will be looked upon as satisfactorily answering the questions asked in your letter of February 7, at least to some extent.

In conclusion, it might not be amiss for me to advise you in case that I should be looked upon as politically biased, that I was raised in a family Liberal in politics always, but that I have personally voted for the past 18 years as opportunity afforded with the Conservative party. I believe, however, in giving credit where credit is due, and have been deeply disappointed to find that many eminent gentlemen like yourself are apparently disposed to place the re-

sponsibility for the failure of Grand Trunk officials to carry out their agreement on the shoulders of someone else. I remain,

Very truly yours,

James Murdock,  
Vice-President B. of R. T.

In view of these several communications which speak for themselves it is not necessary for me to add anything further. It has been shown pretty conclusively that my hon. friend (Mr. Northrup) has no ground for the charges he makes in this amendment. It has been proven that as a matter of fact instead of being deserving of criticism and blame on the occasions to which he refers, the Government is entitled to credit. If my hon. friend will consider the matter fairly, and if he will consider what is more important, namely, the significance of the discussion of labor matters in this House, he will, I believe, feel that it is at least due to the present situation that he should withdraw this amendment. I can say with confidence to hon. gentlemen

opposite that in administering the Department of Labor I have tried as between labor and capital to be absolutely impartial; I have tried above everything else to keep the labor movement and labor questions out of party politics altogether, and I think hon. gentlemen on both sides of the House will agree that such is the only attitude that can properly be taken if the cause of industrial peace is to be effectively furthered. Any attempt to make party capital or other capital out of an industrial situation is an extremely dangerous thing. In dealing with these labor questions and the strife between capital and labor you are dealing with a two-edged sword, and as these conflicts are likely to continue and to become more gigantic as the years go on, the only attitude which can in the long run be of service to workingmen or to capital is that the Parliament of Canada should stand for the people of this country as a whole, see that fair play and justice are maintained as between the different parties and that no fear or favor be shown to one side or the other.

